

**Business Enterprise Program Council for Minorities,
Females, and Persons with Disabilities Meeting**

MEETING MINUTES

**Monthly Council Meeting
Location: Video Conference Room 2-025
James R. Thompson Center
100 W. Randolph Street, Chicago, Illinois**

Wednesday, April 28, 2010 1:00 p.m.

COUNCIL MEMBERS IN ATTENDANCE

Alesia Hawkins
Florence Cox
Beth Doria (via video conference)
Lourdes Coss
Michael Gonzalez
Lynne Turner (via video conference)

COUNCIL MEMBERS NOT IN ATTENDANCE

Patrick Blair
Phillip Barreda
Letitia Herrera
Hedy Ratner
Lawrence Parrish
Curtis Thompson
Raymond Arias
Jesse Martinez
Larry Ivory

COUNCIL CHAIRMAN

James P. Sledge, CMS/ Director

ACTING COUNCIL SECRETARY

Elias Ricks Ngwayah II, CMS/BEP

CMS STAFF IN ATTENDANCE

Philina King, CMS/BEP Legal Counsel
Nadine Lacombe, CMS General Counsel
Steve Schweitzer, CMS/Legal
Agueda Corona, Disparity Study Manager
Yvette Riley, CMS/BEP
Gladys Rodriguez, CMS/BEP
Rachel Y. Barksdale Little, CMS/BEP
Leslie Taylor, CMS/BEP
Carlos Gutierrez, CMS/BEP
Mary Ann Earls, CMS/BEP
Susan Hartman, CMS/BOSSAP

OTHERS IN ATTENDANCE

Adam Braun – Office of the Governor - Legislative Affairs (via video conference)
Ngozi Okorator - Legal Counsel for Capital Development Board

AGENDA

- 1.0 CALL TO ORDER
- 2.0 ROLL CALL
- 3.0 APPROVAL OF THE MINUTES OF THE REGULAR COUNCIL MEETING HELD ON March 22, 2010
- 4.0 CHAIR’S REPORT
- 5.0 POSTED BUSINESS
 - 5.1 Introduction of Agueda Corona, Disparity Study Manager
 - 5.2 Disparity Study Update – Agueda Corona
 - 5.3 Legislative Update – Office of the Governor – Legislative Affairs
- 6.0 UNFINISHED BUSINESS
 - 6.1 Committee Updates
 - A. Exemption/Compliance Committee
 - B. Bonding Committee
 - C. Professional Services
- 7.0 NEW BUSINESS
- 8.0 ADJOURNMENT

CALLED TO ORDER

James P. Sledge, Director for Illinois Department of Central Management Services, called the Business Enterprise Program Council meeting to order at 1:08 PM.

Elias Ricks Ngwayah II, Acting Business Enterprise Council Secretary, took roll call.

INTRODUCTION

Chair James Sledge welcomed and introduced Agueda Corona to the Council. Ms. Corona is the new Disparity Study Project Manager and she provided a brief summary of her background and experience.

MINUTES OF COUNCIL MEETING OF March 22, 2010

Due to the absence of a quorum, approval of the March 22nd minutes were deferred until the next scheduled Council meeting.

2010 COUNCIL MEETINGS

The upcoming BEP Council meetings will be scheduled for the fourth Monday of each month, from 1:00 PM. to 3:00 PM.

The Council meeting calendar for 2010 is as follows:

24th May 2010 – JRTC, Room 2-025

28th June 2010 – JRTC, Room 2-025

26th July 2010 – JRTC, Room 2-025

23rd August 2010 – JRTC, Room 2-025

27th September 2010 – JRTC, Room 2-025

25th October 2010 – JRTC, Room 2-025

22nd November 2010 – JRTC, Room 2-025

27th December 2010 – JRTC, Room 2-025

CHAIR'S REPORT

Chair James Sledge reported on the following item:

Introduction of New Disparity Study Manager:

- Chair James Sledge introduced and welcomed Agueda Corona to the Council as the new Disparity Study Manager. Ms. Corona provided the Council with a brief summary of her background and experience.

Events:

- Chair James Sledge reported on the “Ethics in the Workplace Seminar” held on April 26, 2010 from 9:00 am – 3:00 pm at the University of Illinois – Chicago. The event was hosted by Illinois Department of Transportation and Co-Sponsored by Illinois Department of Central Management Services and Illinois State Toll Highway Authority.

Speakers for the event included: Charles Kocoras, Judge - United States District Court, Christopher Kennedy, President of Merchandise Mart Properties Inc and a round table discussion about ethics in the workplace with Lawrence Oliver II, Chief Counsel, Investigations from Boeing Company and Ted Chung, General Counsel - Office of the Governor.

Disparity Study:

- Chair James Sledge advised the Council that in addition to the disparity study oversight committee, CMS and The Office of the Governor have weekly meetings with the Disparity Study vendor Mason Tillman to make sure that the project stays on course.

POSTED BUSINESS

Chair James Sledge called for presentations:

Presentation by Agueda Corona:

Agueda Corona provided an update on the Disparity Study.

Updates are as follows:

Ms. Corona indicated that the schedule for the community meetings changed from April 14th and April 15th to May 19th and May 20th. However, the locations remain the same. Ms. Corona stated that the letters and invitations will be sent to over 35,000 businesses. Mason Tillman is still collecting data for the study and state agencies have been proactive in sending requested information.

New dates for the Disparity Study Community Meetings:

- May, 19, 2010 – 10:00 am to 1:00 pm – University of Illinois at Springfield, Brookens Auditorium, One University Plaza, Springfield, Illinois
- May 19, 2010 – 6:00 pm to 9:00 pm – Southwestern Illinois College SWIC Theater, 2500 Carlyle Avenue, Belleville, Illinois
- May 20, 2010 – 5:00 pm to 8:00 pm – University of Illinois at Chicago, Moss Auditorium, 909 S. Wolcott Street, 1st Floor, Chicago, Illinois

Presentation by Adam Braun:

Chair James Sledge introduced and welcomed Adam Braun, Deputy Director of Legislative Affairs – Office of the Governor. Chair James Sledge advised the Council that Mr. Braun agreed to come and speak about legislation that impacts Business Enterprise Program and his perspective on Senate Bill 51.

Chair James Sledge yields floor to Adam Braun.

Mr. Braun began his presentation by thanking the Council for the opportunity to address them and hopes to continue future discussions with Department of Central Management Services, Business Enterprise Council and other state agencies of interest.

Mr. Braun reported The Office of the Governor is working diligently to implement the massive procurement reform passed by the General Assembly last spring. There are continued efforts to work with legislative caucuses to identify some outstanding issues relating to the implementation of Senate Bill 51. The Office of the Governor and state of Illinois' agencies are committed to faithfully implement procurement reform passed by the General Assembly last year. One of Governor Pat Quinn's primary goals is to change the way state procures goods and services.

Highlights of presentation and key topics of discussion are as follows:

- SB51 Implementation with propose changes
- Governor Quinn signs bill for Executive Ethics Commission \$1 million Supplemental Appropriation
- State and Employees Ethics Act, created in 2003 – Council recommends legislative amendment changes to Act re: Executive Ethics Commission responsibilities
- Vendor community meetings, training and education on new procurement legislation
- Governor Office outreach to legislative caucuses and state agencies and universities re: SB 51
- Governor Office meetings and efforts with legislative staff to resolve issues with SB 51
- Disclosures, lobbyist vs. penalties under new procurement rules
- New Executive Procurement Officer's to monitor state procurement vs. responsibilities and appointment terms

Chair James Sledge allowed open floor discussion and feedback from the Council.

Mr. Braun entertained questions from the Council regarding internal structure of Senate Bill 51 implementation and answered each question in detail. Chair James Sledge assists Mr. Braun with question and answer session.

Florence Cox, Beth Doria, Lynne Turner, Lourdes Coss and Michael Gonzalez voiced the following questions and concerns:

- Will the Governor Office engage in any type of legislative action to correct some of the issues with SB 51? It was an unfunded mandate and the bill calls for 70 people to oversee the procurement process.
- Can you tell me the levels of approvals for SB51? Someone asked me recently about a procurement monitor and where that person is going to be housed.
- For the auditors that were decentralized and then going back to their home Agencies – those head counts are already gone. When bringing those auditors back will the Agency get an increase in head count?
- Does the Executive Ethics Commission have to submit reports regarding procurement processes?
- Does public hearing emergency contracts exceed more than 90-days?
- What are the penalties for people failing to meet the mandates or disclosure issues as it relates to lobbyists?
- Will there be opportunities for training vendors so that they can become aware of the upcoming changes to procurement?
- Have you gotten any feedback from vendors on what's posted on the websites on legislation?
- If there were recommendations to change the reporting structure of Executive Ethics Commission, where would that legislation need to go? If not Senate Bill 51, would there be a different statute you would have to amend?

Discussion on legislation

Discussion was held regarding the upcoming challenges of Senate Bill 51 implementation effective July 1st. Chair James Sledge advised that since the beginning of the year various CMS subcommittee workgroups were established to discuss ways to implement changes and recommendations to the bill. The subcommittee made two (2) presentations to chief procurement officers and to legislative staff and individuals from various constitutional offices. Binders and digital copies of subcommittees work product are available to the Council upon request.

Vendor outreach on legislation

CMS/BEP, state agencies and assist agencies continue to address vendor concerns which include interpretation of bill, certification classifications and new procurement rules.

Some subcommittee workgroups identified a need to merge and combine efforts to increase outreach to vendors. CMS/BEP committee reported vendors can access new procurement legislation, Fact Sheet on new ethics requirements and Public Act 095-0971 (the "Act") on the following websites:

- <http://www.purchase.state.il.us>
- <http://www.sell2.illinois.gov>

Other website posting on legislation includes:

- <http://www.cdb.state.il.us>
- <http://www.dot.state.il.us>
- <http://www.illinoistollway.com>

UNFINISHED BUSINESS

Chair James Sledge called for committee updates.

A. Exemption/Compliance Committee

Mr. Ngwayah provided a report on the exemption/compliance committee meeting which was held on April 6, 2010. The committee reviewed requested exemptions from agencies and universities. Mr. Ngwayah reported out of 1,396 requested exemptions they decided to limit it down to 137 that were classified as being of a particular interest to the Council. Out of the 137 requested exemptions, 107 were approved and 30 were denied.

Ms. Doria noted during their meeting she noticed there were a number of line item explanations that indicated "CMS Master Contract." Therefore, the committee could not impose a pass or denial for the exemption. Ms. Doria and committee requested meeting with CMS to discuss guidelines for agencies requesting exemptions on CMS Master Contracts.

Detail Object Codes Line Items reviewed by the committee:

1242 – Auditing and Management Consulting Services
 1244 – Legal Fees
 1245 – Professional & Artistic Services NEC
 1266 – Court Reporting & Filing Services
 1302 – Printing

Further Consideration:

1273 – Advertising
 1289 – Contractual Services NEC

B. Bonding Committee - No Report

C. Professional Services Committee – No Report

Action Item:

- Business Enterprise Council exemption/compliance committee, Department of Central Management Services, Director James Sledge and legal staff will meet to discuss CMS Master Contracts.

NEXT STEPS

- Next meeting is scheduled for Monday, May 24, 2010, James R Thompson Center, 100 W Randolph Street, Room 2-025, 1:00 PM to 3:00 PM.
- Chair James Sledge will extend invitation to Council to attend upcoming subcommittee workgroup training and meetings.
- Binders and digital format of subcommittee work products are available to the Council upon request.
- Council recommends vendor community meetings, training and education on new procurement legislation.

Meeting Adjourned at 1:47 PM